MK Global Kapital

NEWSLETTER

VOLUME 04 - 2026

Global economic conditions

The second quarter of 2026 continued to test the resilience of the global economy against the backdrop of the Middle East conflict and its consequences. The IMF's April World Economic Outlook projects global growth of 3.1% for 2026 and 3.2% for 2027, a modest downward revision. Institutional frameworks, strategic reserves and diversified supply chains have again proved their worth, though the strain is now visible in inflation figures across most of the economies covered in this newsletter.

Energy markets remained the dominant factor. Brent crude has eased from a peak above US$117 a barrel earlier in the quarter to around US$73, as shipping through the Strait of Hormuz remains restricted. Energy prices are stabilising and partially easing the inflationary pressures and on central banks, as well as relieving immediate volatility in energy markets.

Commodity markets

Oil prices stayed elevated through the quarter, with Brent trading between roughly US$105 and US$115 a barrel for much of the period. Gold's sustained record prices dropped to multi-month lows, whilst industrial metals prices remain steady amid ongoing green infrastructure investments. Agricultural commodity prices slightly eased, but continue providing a buffer for food-importing economies in choppy markets.

Eurozone and Central and Eastern Europe

Inflationary pressure in the euro area intensified through the quarter, with the second quarter inflation rate reaching 3% versus 2.1% in the first three months of the year. The increase was driven predominantly by energy costs, though the pass-through to food and services prices is becoming more visible.

The ECB's Governing Council revised its three key interest rates at its most recent meeting. The deposit facility rate increased to 2.25% from 2.00% and the main refinancing rate to 2.40% from 2.15%.

Across Central and Eastern Europe, the picture was mixed. Headline inflation in Czechia and Romania easied slighly in June, but the Czech National Bank unexpectedly increased its benchmark rate to 3.75%. GDP expanded by just 0.2% quarter-on-quarter in the first quarter, the weakest reading since the third quarter of 2023, as softer domestic demand and a negative contribution from net trade weighed on output. The European Commission projects full-year growth of 1.8% for 2026. Italy's consumer price index eased to 3% year-on-year in June. GDP expanded by 0.3% quarter-on-quarter in the first quarter, revised up from 0.2%, and by 0.7% year-on-year. Romania remains the region's clear outlier: annual inflation reached 10.9% in May, the highest in the European Union, whilst the economy contracted by 1.7% year-on-year in the first quarter. The National Bank of Romania held its benchmark interest rate steady, prioritising inflation control over any easing of credit conditions.

Caucasus and Central Asia

The region's underlying growth drivers remained firmly intact through the quarter, even as inflation stayed elevated across most markets. The EBRD projects growth of 5.6% for Central Asia in 2026, supported by strong industrial output, robust domestic demand and continued investment in infrastructure and energy. Eastern Europe and the Caucasus is expected to grow by 2.9% in 2026, rising to 3.9% in 2027. However, the EBRD's June Update point that downward risks have intensified.

Kazakhstan's National Bank cut its base rate to 17%, as annual inflation eased to a 14-month low of 10.4% in May, down from a peak of 12.9% in September 2025. The Bank has signalled that a rate cut remains possible later in the year should the disinflation trend hold, with its next scheduled policy review in June. Growth reached 3.6% year-on-year for the January–April period, driven predominantly by the non-resource sector. Manufacturing's share of GDP climbed to 12.7%, outstripping mining for the second consecutive year, while the GDP prowth is projected at 5.5% for this year.

Uzbekistan's economy continued to outperform, with real GDP up 8.7% year-on-year in the first quarter. The EBRD forecasts a GDP growth of 6.5% for 2026. The Central Bank held its policy rate at 14%, revising its 2026 growth forecast upward to 7%–7.5%. Inflation rose to 6.4% in June from 5.5% in May. The June energy tariff hike alone added 1.13% to June's monthly inflation.

Kyrgyzstan's National Bank held its discount rate at 12%, with annual inflation rose slightly to 11.5% in June amid electricty tariff hikes in May. The IMF has flagged early signs of overheating, citing rapid credit growth and rising wages, with real GDP surging by 12% and GDP growth forecast at 10.2%. Tajikistan's economy expanded 8.0% year-on-year in the first quarter, with inflation at 4.1% in May and the policy rate unchanged at 7%. The World Bank projects growth easing to 6.5% for 2026 as remittances and non-precious metal exports normalise.

Armenia's growth moderated from the exceptional pace recorded at the end of 2025, slowing to 3.9% year-on-year in the first quarter from 9.3% in the fourth. The Central Bank held its refinancing rate at 6.5%, citing heightened geopolitical uncertainty and persistent inflationary pressure, with annual inflation increasing to 5.1% in June. The World Bank projects full-year growth of 5.3% for 2026, supported by the US$200mn Economic Transformation Development Policy Operation approved in March. May data showed a contraction in both exports (down 12.6%) and imports (down 3.2%), driven almost entirely by a drop of over 50% in the trade of precious and semi-precious stones, a normalisation of elevated re-export flows since 2022. Excluding these items, total exports expanded by 33.6%. The number of formally registered jobs reached a record high of 823,584, according to Prime Minister Nikol Pashinyan.

Moldova saw the region's most decisive monetary response. The National Bank raised its base rate by 150 basis points to 6.5% in May and further to 7% in June, in response to inflation of 6.8% in May. Economic activity slowed sharply, with growth of 0.4% year-on-year in the first quarter, down from 3.6% in the previous quarter. The Bank now expects average inflation for 2026 to reach around 8.1%, roughly double its forecast before the conflict began. The regulatory environment also tightened, with strengthened anti-money laundering and compliance requirements increasing the burden on financial institutions and non-bank lenders, alongside ongoing reforms to tax compliance and VAT thresholds.

Outlook

The global economy entered Q2 2026 with a clearer set of parameters than the acute uncertainty of March 2026 suggested. Energy markets are adjusting to new market conditions, institutional mechanisms have demonstrated their capacity to absorb large supply shocks and core inflation dynamics in most major economies remain grounded.

For the economies covered in this newsletter, the period ahead will be shaped by the continued attractiveness of EM assets in a recalibrating global rate environment and the degree to which ongoing structural reforms translate into durable productivity gains. The underlying fundamentals across much of the region — strong domestic demand, favourable demographics and an accelerating investment cycle — remain supportive of a constructive medium-term outlook.

Macroeconomic indicators

Country	Inflation	GDP growth	Interest rate
Armenia	4.20%	4.00%	6.50%
Czechia	2.10%	2.20%	3.50%
Italy	3.20%	0.80%	2.00%
Kazakhstan	10.40%	4.30%	18.00%
Kyrgyzstan	11.00%	12.20%	12.00%
Moldova	6.80%	0.40%	6.50%
Romania	9.70%	1.00%	6.50%
Tajikistan	4.10%	8.40%	7.00%
Uzbekistan	5.50%	8.70%	14.00%

Across ALTERNATIVE portfolio

28th MFC Annual Conference in Durrës, Albania

Several ALTERNATIVE portfolio companies were represented at the 28th Annual Microfinance Centre Conference, held in Durrës, Albania, where more than 400 participants gathered to discuss the future of microfinance. MK Global Kapital alongside IMON International Bank, MK Kredit Moldova and MK Kredit Romania sent C-suit to meet existing and prospective investors and discuss new projects and funding opportunities.

Enterprise Risk Management training in Chișinău, Moldova

MK Global Kapital organised an Enterprise Risk Management training session in Chișinău, attended by teams from MK Kredit Moldova and MK Kredit Romania. The session was led by Bas de Jong, a Dutch chartered accountant specialising in internal control and audit with extensive international experience. The training covered the Three Lines Model, the respective roles of the Board, Management and Internal Audit, and enterprise risk management through theory, workshops and case studies.

Agents for Impact financing for Romania and Tajikistan

Two portfolio companies received financing from Agents for Impact during the period. MK Kredit Romania received the remaining €2mn under its €5mn facility, completing the agreement following the €3mn disbursed in March. IMON International Bank in Tajikistan secured a separate facility to support further lending to micro and small businesses as part of its updated development strategy.

Portfolio company updates

ARMENIA

MK Kredit Armenia

Business lending activity was subdued during the period, as the election campaign weighed on demand, and the sales plan was significantly under-fulfilled as a result. The sales team has recently increased its headcount, thus, strengthening its position, recording steady growth in its share of the sales plan each month, with a target of reaching a 10% share by year end.

Two campaigns ran through the period: a loan consolidation offer with more flexible terms, and a paperwork-free car loan transfer. Both generated strong client interest and will continue into the coming months.

CZECHIA

Anytime Czechia

Anytime took delivery of a further 180 hybrid vehicles from Toyota, 100 Yaris and 80 Yaris Cross models bringing the total fleet sourced from Toyota to 1,000 units. In Prague traffic, the hybrids run in pure electric mode for up to 62% of driving time and use 25%–30% less fuel on average than equivalent combustion-engine vehicles, whilst more efficient regenerative braking has cut brake-related maintenance by 18%. Each vehicle now serves between 8 and 12 customers a day on average. The partnership with Toyota, in place since 2019, also gives both companies access to data from millions of kilometres driven in real-world urban conditions.

ITALY

MK Kredit Italy

The period brought progress on both the commercial and funding sides of the business. The company continued to onboard new commercial partners across the automotive, franchising and productive segments, whilst work continued on optimising the website to improve campaign results and lead generation, including a dedicated landing page. The social media project, launched earlier in the period, entered a phase of fine-tuning to strengthen the lead generation funnel.

KAZAKHSTAN

Anytime Kazakhstan

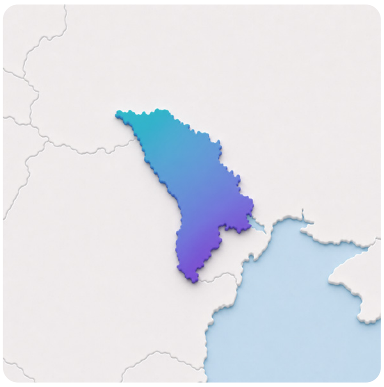
Anytime Kazakhstan achieved strong results during the period. Through targeted campaigns directed at specific user groups, the company narrowed the gap in net total revenue and aligned trip frequency per user with its plan. Anytime also expanded its footprint by securing new partnerships and launching a dedicated ride-completion zone at a mountain resort.

Tactical marketing campaigns drove overall trip volume, whilst an updated referral scheme, allowing existing clients to share a unique invite code with bonuses for both parties, strengthened organic user acquisition, reduced customer acquisition costs and improved fleet utilisation through the spring season.

KYRGYZSTAN

MK Leasing Kyrgyzstan

MK Leasing launched a promotional campaign during the period to accelerate new client acquisition and drive portfolio growth. Under the “MK Leasing gives prizes!” initiative, new clients who secured leasing financing during the promotional period were entered into a draw to win smartphones and smartwatches. The campaign strengthened brand visibility, incentivised businesses to modernise their assets and capitalised on growing demand for commercial equipment and vehicle financing.



MOLDOVA

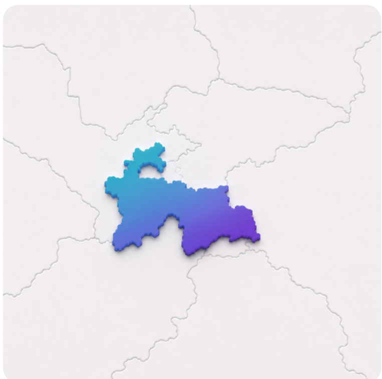
MK Kredit Moldova
MK Kredit Moldova directed its primary focus during the period toward the corporate rebranding process across all branch locations. Management intensified coordination to ensure quality and consistency across sites.

The marketing mix shifted toward brand development and digital optimisation, driving a 39.2% surge in branded search impressions and a 50.5% increase in social media engagement, effectively offsetting a deliberate reduction in paid media spend. The second edition of the internal "City Break" sales campaign awarded the top-performing branch a fully funded travel voucher.

The company also advanced its video case study programme, adjusting communication strategies to incentivise client participation. Representatives attended the ERM training in Chișinău and the 28th MFC Annual Conference in Albania, both covered in the Across the portfolio section above.

ROMANIA

MK Kredit Romania
The company launched the Beauty campaign, offering a 0% granting fee on loans to businesses in the beauty sector. MK Kredit also acquired a factoring platform and established a working group to customise it ahead of rollout. Financing from Agents for Impact and attendance at both the ERM training in Chișinău and the 28th MFC Annual Conference in Albania are covered in the Across the portfolio section above.



TAJIKISTAN

IMON International Bank
IMON International Bank met with the International Finance Corporation during the period to discuss expanding their long-standing partnership across investment and advisory support for micro, small and medium-sized enterprises in Tajikistan. Financing from Agents for Impact and attendance at the 28th MFC Annual Conference in Albania are covered in the Across the portfolio section above.

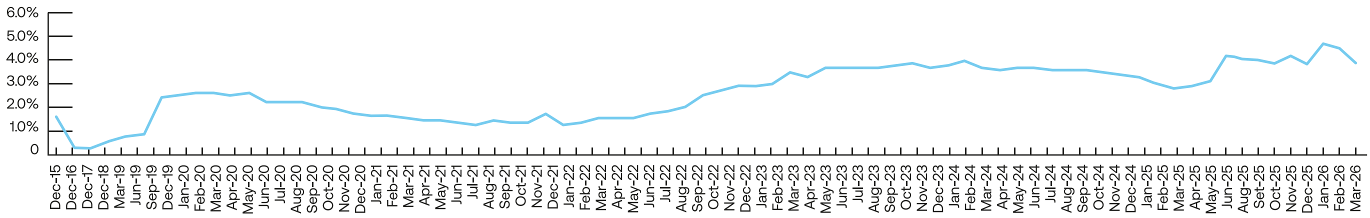
On financial literacy, the Bank reached more than 200 students through university lectures, participated in the III International Forum “FinGramFest” in Dushanbe, and ran a media campaign across radio, social media and Imonline reaching roughly 250,000 people. The National Bank of Tajikistan awarded IMON International Bank an honorary certificate for its contribution to the country’s banking sector.

UZBEKISTAN

MK Leasing Uzbekistan
MK Leasing Uzbekistan completed its first passenger vehicle sale in a considerable period, despite the segment no longer being a target focus for the company under current leasing conditions.

Marketing efforts centred on Instagram and Facebook, with a total advertising budget of US$493 directed toward campaigns generating enquiries from potential clients. The company also tested several video formats during the period, including clips featuring employees and clients, equipment reviews, animated materials and videos showing machinery in operation.

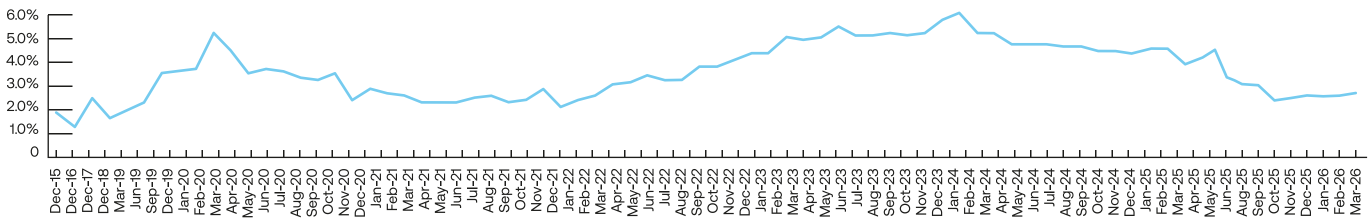
WIGHTED PAR 30+ OF PORTFOLIO COMPANIES



Latest available figures:

Apr-26	3.8%	May-26	4.3%

WIGHTED PAR 90+ OF PORTFOLIO COMPANIES



Latest available figures:

Apr-26	2.7%	May-26	2.8%